

Security Information

IAC-D-33/4

24 April 1952

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INTELLIGENCE ADVISORY COMMITTEE

REPORT ON INDICATORS

1. The attached report was prepared in CIA on the basis of comments received from the agencies and is now submitted for IAC consideration. G-2 has indicated its willingness for the Watch Committee to assume the responsibilities proposed in Recommendation 3. It is suggested that the necessary support for this activity be provided by the Watch Committee Secretariat.

2. If any agency wishes to discuss this paper at an IAC representatives meeting prior to IAC consideration please notify the Secretary.

JAMES Q. REBER
Secretary

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REPORT ON INDICATORS

1. On 1 November 1951 the IAC discussed the subject list of indicators and took action as follows (IAC-M-50, item 4):

The list of indicators was tentatively approved and each agency was requested to study it, experiment with it and, if desirable, to determine how far along the Soviets are on each indicator with which that agency is concerned. Consideration should be given to the utility of negative and longer range indicators. In a month's time the results of these studies should be presented to the IAC with appropriate recommendations.

2. On 10 December 1951 each agency was requested to submit its comments and recommendations in pursuance of the above action.

3. Careful consideration of these replies leads to the following general conclusions:

a. The list of indicators as tentatively approved by the IAC on 1 November is of great value in determining the extent of the USSR's immediate capabilities and the trend these are taking. By reasoning from capabilities and trends, it is possible to draw some considered inferences regarding Soviet intentions. The lists should continue to be used as a device in the watching process but should be treated with caution and not as an exact barometer.

b. No appreciable gain would result at this time from redoing the list or expanding it to include longer-range or negative indicators. However, each agency should continue to scrutinize the list in its watching activities and make such changes and additions as appear appropriate, bringing these to the attention of the IAC Watch Committee for information, discussion, or assistance.

c. Each agency should analyze the indicators for which it has any responsibility and determine what information it needs in order to watch that indicator effectively. This analysis presumably is already being done and will produce a flow of specific requirements on the various collecting agencies. An informal CIA review of information on each of the listed indicators over a one-month period reveals numerous

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gaps in available information and points to the need for each agency to make such a review at frequent intervals as a basis for formulating requirements.

d. The watching process in general and lists of indicators in particular are subject to serious limitations in the prediction of future developments. Besides the inherent uncertainty in inferring intentions from knowledge of capabilities much of the watching information requires considerable analysis and collation before it becomes really useful.

(1) At any given time an indicator can establish only a single point on our imaginary chart. Therefore, several readings at intervals are needed in order to establish a line and thereby perceive any change that is taking place with respect to this indicator and determine the rate of change. Obviously the accuracy of the readings is of great importance.

(2) Even if the information is accurate, however, the rate of change cannot be properly interpreted without fixing a series of points going back into the past so as to determine the norm or the normal rate of change for the particular indicator. In certain cases this will require some long-range basic research.

(3) The present rate of change should be interpreted, but it must be considered in the light of other developments which might have affected it and especially in relation to the relevant activity of the U. S. and its allies.

(4) While the slope or rate of change of the imaginary line has been analyzed it is also necessary to estimate the significance of the numbers on the scale. It is not known whether 10 divisions in a particular location is an invasion force or a garrison force. To know this requires putting ourselves in the position of the Soviet planners and involves a measure of assistance and guidance from our own planners approaching limited war-gaming.

(5) It is now possible to formulate several likely hypotheses of Soviet intent, estimate the effect of each hypothesis on a particular indicator, and then watch for corroborative information.

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e. It is recognized that the five theoretical steps above do not apply to all cases and are in fact sometimes combined or omitted entirely. In some instances the necessary research has already been done. It is believed, however, that it would be desirable to examine jointly what research should be undertaken to assist in interpreting the various indicators.

RECOMMENDATIONS:

1. That the IAC definitely approve the list of indicators (IAC-D-33/1) and refer it to the IAC Watch Committee as one of their tools, directing them to keep it under study and make needed modifications from time to time.
2. That each agency determine gaps in information respecting indicators for which it has a responsibility and levy requirements accordingly.
3. That to assist the watching process, the Secretariat of the IAC Watch Committee be directed to consult with the IAC agencies and arrange for the production by the appropriate office or agency of research studies on those indicators or parts thereof where it would be desirable to set forth what is known of past and present conditions and apparent trend.

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